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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/781,033	02/09/2001	Donald P. Gibson	36.P290	1583

5514 7590 10/19/2004

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EXAMINER	
MYHRE, JAMES W	

ART UNIT	PAPER NUMBER
3622	

DATE MAILED: 10/19/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/781,033	GIBSON ET AL.	
	Examiner	Art Unit	
	James W Myhre	3622	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *28 July 2004*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-52* is/are pending in the application.

4a) Of the above claim(s) *1-46* is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *47-52* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application (PTO-152)
6) ☐ Other: _____.

DETAILED ACTION

Election/Restrictions

1. Claims 1-46 are withdrawn from further consideration pursuant to 37 CFR 1.142(b) as being drawn to nonelected subcombinations, there being no allowable generic or linking claim. Election was made **without** traverse in the reply filed on July 28, 2004. However, upon further review of the claims and their groupings, the new Examiner is combining Claim 52 with the elected group as being a system claim paralleling the independent method claim, Claim 47. Therefore, the currently pending claims considered below are Claims 47-52.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 47-50 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

As an initial matter, the United States Constitution under Art. I, §8, cl. 8 gave Congress the power to "[p]romote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries". In carrying out this power, Congress authorized under 35 U.S.C. §101 a grant of a patent to "[w]hoever invents or discovers any new and useful process, machine, manufacture, or composition or matter, or any new and useful improvement

thereof." Therefore, a fundamental premise is that a patent is a statutorily created vehicle for Congress to confer an exclusive right to the inventors for "inventions" that promote the progress of "science and the useful arts". The phrase "technological arts" has been created and used by the courts to offer another view of the term "useful arts". See *In re Musgrave*, 167 USPQ (BNA) 280 (CCPA 1970). Hence, the first test of whether an invention is eligible for a patent is to determine if the invention is within the "technological arts".

Further, despite the express language of §101, several judicially created exceptions have been established to exclude certain subject matter as being patentable subject matter covered by §101. These exceptions include "laws of nature", "natural phenomena", and "abstract ideas". See *Diamond v. Diehr*, 450, U.S. 175, 185, 209 USPQ (BNA) 1, 7 (1981). However, courts have found that even if an invention incorporates abstract ideas, such as mathematical algorithms, the invention may nevertheless be statutory subject matter if the invention as a whole produces a "useful, concrete and tangible result." See *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* 149 F.3d 1368, 1973, 47 USPQ2d (BNA) 1596 (Fed. Cir. 1998).

This "two prong" test was evident when the Court of Customs and Patent Appeals (CCPA) decided an appeal from the Board of Patent Appeals and Interferences (BPAI). See *In re Toma*, 197 USPQ (BNA) 852 (CCPA 1978). In *Toma*, the court held that the recited mathematical algorithm did not render the claim as a whole non-statutory using the Freeman-Walter-Abele test as applied to *Gottschalk v. Benson,* 409

U.S. 63, 175 USPQ (BNA) 673 (1972). Additionally, the court decided separately on the issue of the "technological arts". The court developed a "technological arts" analysis:

> The "technological" or "useful" arts inquiry must focus on whether the claimed subject matter...is statutory, not on whether the product of the claimed subject matter...is statutory, not on whether the prior art which the claimed subject matter purports to replace...is statutory, and not on whether the claimed subject matter is presently perceived to be an improvement over the prior art, e.g., whether it "enhances" the operation of a machine. *In re Toma* at 857.

In *Toma*, the claimed invention was a computer program for translating a source human language (e.g., Russian) into a target human language (e.g., English). The court found that the claimed computer implemented process was within the "technological art" because the claimed invention was an operation being performed by a computer within a computer.

The decision in *State Street Bank & Trust Co. v. Signature Financial Group, Inc.* never addressed this prong of the test. In *State Street Bank & Trust Co.,* the court found that the "mathematical exception" using the Freeman-Walter-Abele test has little, if any, application to determining the presence of statutory subject matter but rather, statutory subject matter should be based on whether the operation produces a "useful, concrete and tangible result". See *State Street Bank & Trust Co.* at 1374. Furthermore, the court found that there was no "business method exception" since the court decisions that purported to create such exceptions were based on novelty or lack of enablement issues and not on statutory grounds. Therefore, the court held that "[w]hether the

patent's claims are too broad to be patentable is not to be judged under §101, but rather under §§102, 103 and 112." See *State Street Bank & Trust Co.* at 1377. Both of these analysis goes towards whether the claimed invention is non-statutory because of the presence of an abstract idea. Indeed, *State Street* abolished the Freeman-Walter-Abele test used in *Toma*. However, State Street never addressed the second part of the analysis, i.e., the "technological arts" test established in *Toma* because the invention in *State Street* (i.e., a computerized system for determining the year-end income, expense, and capital gain or loss for the portfolio) was already determined to be within the technological arts under the *Toma* test. This dichotomy has been recently acknowledged by the Board of Patent Appeals and Interferences (BPAI) in affirming a §101 rejection finding the claimed invention to be non-statutory. See *Ex parte Bowman*, 61 USPQ2d (BNA) 1669 (BdPatApp&Int 2001).

In the present application, Claims 47-50 fail to describe any connection to the technological arts. For example, in Claim 47, the steps of (a) storing image data in an image database; (b) storing advertising information in an advertising database; (c) receiving a request for displaying a service menu; (d) responsive to the request, sending the image data in the image database and the advertising information in the advertising database, and (e) displaying an image based on the image data and advertisement based on the advertising information in the service menu for offering to print the image data, could all be perform manually. Steps (a) and (b) would include a person storing images (e.g. photographs) in a photo album or shoebox and storing advertising data in paper files or on 3x5 cards. Steps (c), (d), and (e) would include a

customer orally communicating a request to a salesclerk, the salesclerk receiving a physical copy of an image from the shoebox and an advertisement on a 3x5 card, and showing the image and advertisement to the customer. Claims 48-50 fail to place the claims within the technological arts in a manner similar to Claim 51 in which the image data is received from a digital camera (i.e. technological device).

In order to overcome this rejection of these claims, the Examiner suggests the Applicant add limitations to at least the independent claim which place the invention within the technological arts, such as "(a) storing digital image data in a[n] electronic image database; (b) storing advertising information in an electronic advertising database; (c) receiving a request at a computer for displaying a service menu; (d) responsive to the request, sending the digital image data in the electronic image database and the advertising information in the electronic advertising database to the computer; and (e) displaying an image on a display device of the computer based on the digital image data and an advertisement based on the electronic advertising information in the service menu for offering to print the image data." or similar language. Appropriate corrections would also need to be made to the dependent claims (Claims 48-51) to ensure consistent use of terminology throughout.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 47-52 are rejected under 35 U.S.C. 102(e) as being anticipated by Jackson et al (6,760,128).

Claims 47 and 52: Jackson discloses a system and method for providing digital image service, comprising:

a. storing image data in an image database (col 4, lines 14-41);

b. storing advertising information in an advertising database (col 4, lines 14-41);

c. receiving a request for displaying a service menu (col 8, lines 18-46);

d. responsive to the request, sending the image data in the image database and the advertising information in the advertising database (col 8, lines 18-46); and

e. displaying an image based on the image data and advertisement based on the advertising information in the service menu for offering to print the image data (col 6, line 66 – col 8, line 46).

Claim 48: Jackson discloses a method for providing digital image service as in Claim 47 above, and further discloses the menu includes the advertisement and thumbnail images of the image data (col 8, lines 18-46).

Claim 49: Jackson discloses a method for providing digital image service as in Claim 47 above, and further discloses the menu including selecting a size and volume of print for each of the selected image data (col 6, line 66 – col 8, line 46).

Claim 50: Jackson discloses a method for providing digital image service as in Claim 47 above, and further discloses the menu includes an option to generate a storage medium containing the selected image data (col 6, line 66 – col 8, line 46).

Claim 51: Jackson discloses a method for providing digital image service as in Claim 47 above, and further discloses obtaining the image data being stored in the image database from a digital camera (col 3, line 65 – col 4, line 6).

Conclusion

6. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

a. Bloomberg (5,761,686) discloses a system and method for generating thumbprint images from image files.

b. Camaisa et al (5,845,263) discloses a system and method for ordering products using thumbprint digital images of the products.

c. Nelson et al (6,163,363) discloses a system and method for displaying thumbnail images of photographs to a customer, allowing the customer to preview the

thumbprint images, select one or more desired images, and order a desired quantity of each selected image.

d. Gilman et al (6,208,770) discloses a system and method for displaying thumbnail images on a preview screen from which the user may select one or more images to be printed.

e. Shaffer et al (6,396,963) discloses a system and method for providing thumbnail images of stored images, allowing a customer to select one or more of the thumbnail images, and generating a collage of the selected images to be printed together.

f. Agarwal et al (6,509,910) discloses a system and method for storing digital images and advertisements, generating a display of thumbnail images of the stored digital images and advertisement, selecting one or more digital images by a customer including a size and quantity desired, and delivering selected digital images to the customer.

g. Dietz (6,591,068) discloses a system and method for storing digital images in a database, combining a selected digital image with stock images (advertisements), and allowing the customer to select the desired size, quantity and format of the selected digital image(s).

h. Kito (6,628,899) discloses a system and method for processing digital images in which the digital images are stored, presented as thumbnail images to a customer, selected by the customer who designates size and quantity, and are delivered to the customer.

i. Toshikage et al (US2001/0016829) discloses a system and method for selling digital images to customers.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Exr. James W. Myhre whose telephone number is (703) 308-7843. The examiner can normally be reached Monday through Thursday from 6:30 a.m. to 3:30 p.m.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Eric Stamber, can be reached on (703) 305-8469. The fax phone number for Formal or Official faxes to Technology Center 3600 is (703) 872-9306. Draft or Informal faxes, which will not be entered in the application, may be submitted directly to the examiner at (703) 746-5544.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group Receptionist whose telephone number is (703) 308-1113.

JWM
October 12, 2004

James W. Myhre
Primary Examiner
Art Unit 3622